

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 2294 - SB 2355

March 11, 2016

SUMMARY OF BILL: Authorizes the Metropolitan Government of Davidson County to regulate blasting or the use of explosives within its jurisdiction; provided, any regulations adopted by the Metropolitan Government are no less restrictive than the requirements of the *Tennessee Blasting Standards Act of 1975*. This act shall take effect upon becoming law.

ESTIMATED FISCAL IMPACT:

Increase Local Revenue – Davidson County -

\$74,100/FY16-17/Permissive

\$70,700/FY17-18 and Subsequent Years/Permissive

Increase Local Expenditures – Davidson County -

\$74,100/FY16-17/Permissive

\$70,700/FY17-18 and Subsequent Years/Permissive

Assumptions:

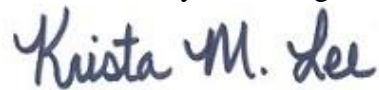
- The State Fire Marshal's Office (SFMO) currently registers all firms, blasters, and handlers statewide, except for certain exemptions pursuant to Tenn. Code Ann. § 68-105-120.
- No decrease in registrants as each registrant is assumed to operate in multiple counties, rather than operating solely in Davidson County.
- There are currently two Fire Safety Specialist 2 positions in the SFMO which inspect blasting and explosives for all counties in Middle Tennessee; therefore, any reduction in inspections as a result of this legislation is not expected to result in a decrease in SFMO personnel.
- This will result in no significant fiscal impact to the state.
- The Metropolitan Government of Nashville and Davidson County will be authorized to regulate blasting and explosive events which occur in the jurisdiction of Davidson County.
- It is assumed that Davidson County will elect to regulate blasting and will hire one Fire Inspector 2 to inspect blasting and explosive events.
- Any such local impact to Davidson County will result due to a permissive action.
- For purposes of this fiscal note, state benefits are assumed to be similar to those offered by the Metropolitan Government of Nashville and Davidson County.
- A permissive and recurring increase in local expenditures (to Davidson County) of \$70,691 (salary \$50,820 + benefits \$18,071 + communications \$1,200 + supplies \$600).

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- A one-time permissive increase in local expenditures (to Davidson County) of \$3,400 (office furniture \$2,000 + computer \$1,400).
- For purposes of the fiscal note, the effective date of the legislation is assumed to be July 1, 2016.
- A total permissive increase in local expenditures (to Davidson County) in FY16-17 of \$74,091 (\$70,691 + \$3,400).
- A permissive and recurring increase in local expenditures (to Davidson County) in FY17-18 and subsequent years of \$70,691.
- It is assumed that the Metropolitan Government of Nashville and Davidson County will issue blasting permits for each blasting site which operates within Davidson County, and that a permit fee will be assessed which offsets the cost to administer this new regulatory duty.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in blue ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jdb